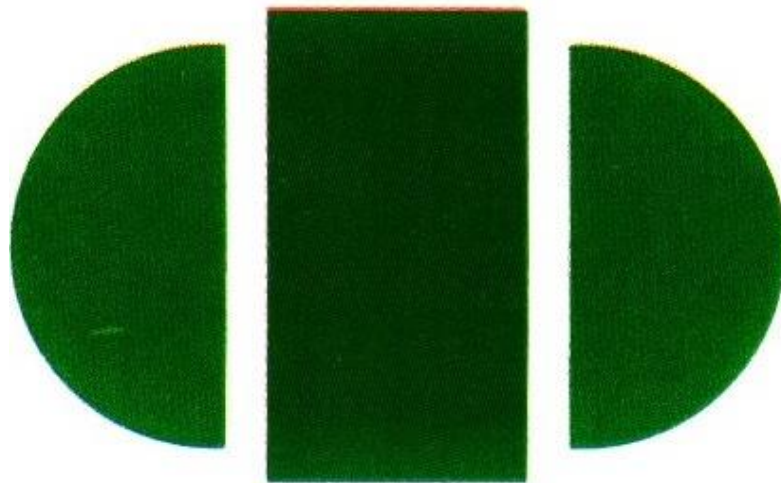


Quarterly Report
For the period ended
September 30, 2017



FIRST EQUITY MODARABA

Managed by :
PREMIER FINANCIAL SERVICES (PVT) LTD



FIRST EQUITY MODARABA

CORPORATE INFORMATION

Modaraba Company : PREMIER FINANCIAL SERVICES (PVT) LTD

BOARD OF DIRECTORS

Mr Zahid Bashir
Mr Nadeem Maqbool

Mr Qaiser Magoon
Mr Adil A Ghaffar - Chief Executive Officer

AUDIT COMMITTEE

Mr Qaiser Magoon
Mr Zahid Bashir
Mr Nadeem Maqbool

HUNAM RESOURCE COMMITTEE

Mr Zahid Bashir
Mr Nadeem Maqbool
Mr Adil A Ghaffar

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
Karachi
Tel : 021-35672815-18
Fax : 021-35686116
e-mail: info@firstequitymodaraba.com.pk
website: firstequitymodaraba.com.pk

Room No 503-504
Karachi Stock Exchange Building
Karachi
Tel : 021-32446020-3
Fax : 021-32446024

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**FIRST EQUITY MODARABA
DIRECTORS REPORT**

The Directors of Premier Financial Services (Pvt) Ltd, the management company of FIRST EQUITY MODARABA, presents their report and the un-audited financial statements of the Modaraba for the three months ended September 30, 2017.

Financial Results

Profit for the quarter ended September 30, 2017 declined to Rs. 0.898 million as against 3.532 million, for the same period last year, due to continuous uncertainty in the capital market which resulted in low brokerage commission and capital gains.

The earning per certificate as at September 30, 2017 was Rupees 0.017 while the earnings for the same period last year was Rupees 0.067. The Breakup value as of September 30 2017 was Rupees 12.44 per certificate.

Prospects

We anticipate that once the political and economic indecisiveness is settled, the capital market will again show a bullish trend. Furthermore, the current year cotton crop is more than the expectation which will result in low cotton price and the demand of yarn in China is picking up which will result in high yarn price and the spinning mills are likely to perform better.

For and on behalf of Board

Karachi
October 27, 2017

Adil A Ghaffar
Chief Executive Officer

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2017

	September 2017 Rupees	Audited June 30, 2017 Rupees
EQUITY AND LIABILITIES		
Capital and reserves		
Certificate capital		
Authorised capital		
60,000,000 (June 30, 2017: 60,000,000) modaraba certificates of Rs. 10 each	600,000,000	600,000,000
Certificate capital	524,400,000	524,400,000
Reserves	3 169,572,692	162,307,132
Remeasurement of define benefit liability - Actuarial gain	594,518	594,518
Unrealized loss on re-measurement of investments	(42,067,820)	(30,617,609)
Certificate holders' equity	652,499,390	656,684,041
Non-current liabilities		
Deferred liabilities	2,921,604	2,864,104
Security Deposit	200,000	200,000
Total non-current liabilities	3,121,604	3,064,104
Current liabilities		
Creditors, accrued and other liabilities	32,279,988	62,660,247
Unclaimed profit distributions	28,728,536	28,730,534
Total current liabilities	61,008,524	91,390,781
Total liabilities	64,130,128	94,454,885
Contingencies & Commitments		
Total equity and liabilities	716,629,518	751,138,926

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2017

	September 2017 Rupees	Audited June 30, 2017 Rupees
	Note	
Non - current assets		
Fixed assets		
- tangible	6,942,680	7,113,994
- intangible	10,000,000	10,000,000
Investment property	1,681,667	1,711,667
Investments	4 398,217,360	398,217,360
Advances	2,510,000	2,510,000
Deposits	1,750,000	1,750,000
Total non-current assets	421,101,707	421,303,021
Current assets		
Morabaha / musharaka receivables - secured	138,195,065	134,320,480
Short term investments	93,013,649	101,074,443
Advances	3,405,434	3,391,684
Trade deposits and prepayments	15,483,252	15,185,627
Other receivables	23,331,768	25,203,850
Tax refund due from government	9,652,700	9,265,078
Cash and bank balances	12,445,943	41,394,743
Total current assets	295,527,811	329,835,905
Total assets	716,629,518	751,138,926

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
 FOR THE QUARTER ENDED SETEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
<i>Income</i>	5,770,740	8,635,473
<i>Expenditure</i>		
Operating expenses	(4,904,202)	(5,160,415)
Bank charges	(5,050)	(4,216)
	(4,909,252)	(5,164,631)
	861,488	3,470,842
Other income	36,616	61,633
<i>Profit for the period</i>	898,104	3,532,475
Earnings per certificate	0.017	0.067

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
 Chief Executive
 Premier Financial
 Services (Private) Ltd.

Zahid Bashir
 Director
 Premier Financial
 Services (Private) Ltd.

Nadeem Maqbool
 Director
 Premier Financial
 Services (Private) Ltd.

**FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE IN
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	September 2017 Rupees	September 2016 Rupees
Profit for the period	898,104	3,532,475
Other comprehensive income		
<hr/>		
Unrealized gain / (loss) on re-measurement of investments	(11,450,211)	8,200,586
Gain/(loss) realized on disposal of investments	-	3,187,370
	(11,450,211)	11,387,956
Taxation relating to component of other comprehensive income	-	-
<hr/>		
Other comprehensive income	(11,450,211)	11,387,956
<hr/>		
Total comprehensive income	(10,552,107)	14,920,431

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS(UN-AUDITED)
FOR THE QUARTER ENDED SETEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	898,104	3,532,475
Adjustments for non cash/non operating items:		
Depreciation	256,314	490,897
Provision for gratuity	57,500	65,750
Dividend income	(990,950)	(792,500)
	(677,136)	(235,853)
Operating profit before working capital changes	220,968	3,296,622
Increase in current assets		
Morabaha / musharaka receivables	(3,874,585)	(3,948,302)
Advances	(401,372)	(3,691,000)
Trade deposits and prepayments	(297,625)	(377,131)
Other receivables	1,894,621	(9,405,753)
	(2,678,961)	(17,422,186)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(23,986,944)	2,651,960
Dividend paid	(1,998)	(2,317)
	(23,988,942)	2,649,643
Net cash used in operating activities	(26,446,935)	(11,475,921)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	(3,389,416)	28,622,867
Dividends received	942,551	794,950
Tangible assets	(55,000)	(147,000)
Net cash generated (used in)/from investing activities	(2,501,865)	29,270,817
Net increase / (decrease) in cash and bank equivalents	(28,948,800)	17,794,896
Cash and bank equivalents at the beginning of the period	41,394,743	10,789,610
Cash and bank equivalents at the end of the period	12,445,943	28,584,506

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Unrealized gain / (loss) on re- measurement of available for sale	Remeasuremen t of define benefit liability	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2016	524,400,000	152,500,000	131,100,000	27,120,000	(25,645,604)	358,832	(184,108,863)	625,724,365
Total comprehensive income for the period	-	-	-	-	(5,475,190)	235,686	48,880,651	43,641,147
Profit distribution							(6,817,200)	(6,817,200)
Statutory reserves							-	-
Balance as at June 30, 2017	524,400,000	152,500,000	131,100,000	27,120,000	(30,617,609)	594,518	(142,045,412)	663,051,497
Total comprehensive income for the period	-	-	-	-	(11,450,211)		898,104	(10,552,107)
Balance as at September 30, 2017	524,400,000	152,500,000	131,100,000	27,120,000	(42,067,820)	594,518	(141,147,308)	652,499,390

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SETEMBER 30, 2017

1 Legal Status and Nature of Business

First Equity Modaraba was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Premier Financial Services (Private) Limited, a Company incorporated in Pakistan.

The Modaraba is a perpetual, multi purpose modaraba able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment and their financing and facilitation.

The Modaraba is listed on Pakistan Stock Exchanges.

The Modaraba is a holding two Trading Right Entitlement certificate of Pakistan Stock Exchanges Ltd and is currently operating its brokerage activities at Karachi.

The modaraba is holding Equity Textiles Ltd. Apex Financial Services (Pvt) Ltd and Capital Financial Services (Pvt) Ltd as a wholly owned subsidiary company

2 General

- 2.1 These financial statements are unaudited and are being submitted to certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.
- 2.2 The accounting policies adopted for the preparation of these unaudited financial statements are the same as those applied in preparation of the audited published financial statements of the Modaraba for the year ended June 30, 2017
- 2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions, profit Distribution and taxation will be determined at the year end. No provision for income tax will be required if not less than 90% of the Modaraba's profit for the year is distributed as cash dividend, except the presumptive tax
- 2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	September 2017 Rupees	June 2017 Rupees
3 Reserves		
Capital reserve	283,600,000	283,600,000
Revenue reserve	(114,027,308)	(121,292,868)
	169,572,692	162,307,132

4 Investments

Listed Securities - available for sale	16,071,330	16,071,330
Unlisted Securities	32,146,030	32,146,030
	48,217,360	48,217,360
Wholly owned subsidiary	350,000,000	350,000,000
	398,217,360	398,217,360

5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 27, 2017

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

quarterly report for the period ended

September 30, 2017

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT SETEMBER 30, 2017

	September 2017	Audited June 2017
	Rupees	Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,352,846,605	1,341,283,645
Long Term Deposit	245,900	245,900
CURRENT ASSETS		
Stores and spares	28,772,525	27,653,481
Stock in trade	278,823,670	251,526,526
Short term investment	14,361,360	20,932,336
Trade debts	126,312,506	102,040,587
Loans and advances	36,538,203	41,508,890
Trade deposits and short term prepayments	30,990,643	24,707,147
Other receivables	576,250	947,652
Tax refund due from government	50,120,982	39,344,394
Taxation - net	3,196,890	8,635,717
Cash and bank balances	9,818,487	6,716,261
	579,511,516	524,012,991
TOTAL ASSETS	1,932,604,021	524,258,891
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 shares of Rs. 10/- each	250,000,000	250,000,000
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized loss on investments	(10,266,286)	(3,695,310)
Profit and loss account - adverse balance	(37,935,264)	(25,781,088)
	(48,201,550)	(29,476,398)
	201,798,450	220,523,602
Surplus on revaluation of fixed assets	480,364,227	492,681,258
NON CURRENT LIABILITIES		
Long term financing	278,558,484	282,447,812
Long term Markup	1,921,245	2,216,856
Deferred taxation	229,928,274	231,083,864
	510,408,003	515,748,532
CURRENT LIABILITIES		
Trade and other payables	400,231,457	324,542,376
Accrued Markup	27,558,083	27,035,674
Short term borrowings	160,310,206	146,592,260
Current portion of long term liabilities	151,933,595	138,418,834
	740,033,341	636,589,144
TOTAL EQUITY AND LIABILITIES	1,932,604,021	1,865,542,536

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
Sales	675,144,393	577,995,194
Cost of Sales	(669,866,553)	(577,203,090)
Gross profit	<u>5,277,840</u>	<u>792,104</u>
Administrative and general expenses	(6,281,067)	(4,769,173)
Distribution and selling expenses	<u>(5,085,896)</u>	<u>(6,301,426)</u>
Operating profit	(6,089,123)	(10,278,495)
Financial charges	<u>(13,881,905)</u>	<u>(14,195,435)</u>
Other charges	<u>-</u>	<u>-</u>
	<u>(13,881,905)</u>	<u>(14,195,435)</u>
	(19,971,028)	(24,473,930)
Other income	<u>143,958</u>	<u>128,726</u>
Profit before taxation	<u>(19,827,070)</u>	<u>(24,345,204)</u>
Provision for taxation		
Current	<u>(5,799,727)</u>	<u>(5,911,659)</u>
Deferred	<u>1,155,590</u>	<u>295,071</u>
	<u>(4,644,137)</u>	<u>(5,616,588)</u>
Profit after taxation	<u>(24,471,207)</u>	<u>(29,961,792)</u>
Earning per share - basic and diluted	<u>(0.9788)</u>	<u>(1.1985)</u>

CHIEF EXECUTIVE








DIRECTOR










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notifications, corporate and
regulatory actions)
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Director Report Urdu